STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

August 12, 2010

Board of Land and	Natural	Resources
State of Hawaii		
Honolulu, Hawaii		

HAWAII

PSF No.: 10HD-011

Grant of Perpetual, Non-Exclusive Utility Easement to Hawaii Electric Light Company, Inc.; Issuance of Construction Right-of-Entry for Installation of Concrete Pad-Mounted Electrical Transformer, Hienaloli, North Kona, Hawaii, Tax Map Key: 3rd/7-5-008: portion of 010.

APPLICANT:

Hawaii Electric Light Company, Inc. (HELCO), a Hawaii corporation.

LEGAL REFERENCE:

Section 171-95, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Hienaloli, North Kona, Hawaii, identified by Tax Map Key: 3rd/7-5-008: portion of 010, as shown on the attached map labeled **Exhibit A**.

AREA:

.0081 acres (352 square feet), more or less.

ZONING:

State Land Use District: Urban County of Hawaii CZO: Open

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ____ NO _x

to Hawaii Electric Light Company Inc. TMK: 3rd/ 7-5-008: portion of 10

CURRENT USE STATUS:

Encumbered under Governor's Executive Order No. 1949 to the County of Hawaii for Hienaloli "Hale Halawai" Civic Center purposes.

Land Office Deed No. S-25,794 to County of Hawaii for Hienaloli Drainage Easement.

Land Office Deed No. S-27,287 to Hawaiian Telephone Company and Hawaii Electric Light Company, Inc., for Utility (pole, guy-wire & anchor) Easement.

CHARACTER OF USE:

Right, privilege and authority to construct, use, maintain, repair, replace and remove electrical transformer, concrete pad, and related improvements over, under and across State-owned land.

COMMENCEMENT DATE:

To be determined by the Chairperson.

CONSIDERATION:

One-time payment to be determined by independent or staff appraisal establishing fair market rent, subject to review and approval by the Chairperson.

RENTAL REOPENINGS:

Not applicable.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Hawaii Administrative Rules Section 11-200-8, the subject project is considered to be exempt from the preparation of an environmental assessment.

Exhibit B

DCCA VERIFICATION:

Place of business registration confirmed: YES x NO
Registered business name confirmed: YES x NO
Applicant in good standing confirmed: YES x NO

BLNR - Issuance of Easement to Hawaii Electric Light Company Inc. TMK: 3rd/7-5-008: portion of 10

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost;
- 2) Pay for an appraisal to determine initial one-time payment;
- 3) Pay appraised value of the easement and related fees prior to commencement with proposed work activities; and
- 4) Applicant shall comply with all requirements for Special Management Areas as may be deemed necessary by the County of Hawaii, Planning Department.

REMARKS:

By letter dated January 20, 2010, the Hawaii Electric Light Company Inc, requested a perpetual, non-exclusive easement on State lands identified as Hienaloli, North Kona, Hawaii, Tax Map Key: 3rd/7-5-008:010. Subject parcel is currently encumbered under Governor's Executive Order No. 1949 to the County of Hawaii for its Hienaloli "Hale Halawai" Civic Center. A transformer on the property currently services only Hale Halawai, therefore, HELCO was not required to obtain an easement prior to its construction. The proposed project would involve installing a larger, upgraded padmounted electrical transformer to service both the state property and the adjoining Kona Inn Shopping Village property identified as TMK: 3rd/7-5-007:021. The Kona Inn Shopping Village parcel does not have sufficient room to construct its own new facility that would enable truck access to upgrade the substandard facilities on its property. The easement requested will consist of an area measuring 16 feet by 22 feet, or approximately 352 square feet. The County of Hawaii has been contacted and concurs to the proposal.

HELCO has not had a lease, permit, easement or other disposition of State lands terminated within the past five years due to non-compliance with such terms and conditions.

Various governmental agencies and interest groups were solicited for comments. To date, all respondents had no comments and/or objections to the request.

AGENCIES	COMMENTS	
County of Hawaii		
Fire Department	No comments	
Parks and Recreation	No response	
Planning Department	** See comments	

BLNR - Issuance of Easement to Hawaii Electric Light Company Inc. TMK: 3rd/7-5-008: portion of 10

Police Department	No comments, no objections	
Public Works	No comments	
Water Supply	No objections	
State of Hawaii		
DLNR-Historic Preservation	No response	
DLNR-Na Ala Hele	No response	
Other Agencies/ Interest Groups:		
Office of Hawaiian Affairs	No response	

The County of Hawaii, Planning Department had no objections to the project, but notes that according to Hawaii Revised Statutes, Chapter 205A-22 and Planning Commission Rule 9-4(10)A(i), "development" includes, *Placement or erection of any solid material or any gaseous, liquid, solid, or thermal waste.* Therefore, the proposed installation of a concrete pad-mounted electrical transformer is considered "development" and will require either a Special Management Area Minor Permit of a Special Management Area (Major) Use Permit.

RECOMMENDATION: That the Board:

- 1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
- 2. Subject to the Applicant fulfilling all of the Applicant requirements listed above; authorize the issuance of a perpetual non-exclusive easement to the Hawaii Electric Light Company, Inc., covering the subject area for utility and related purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current perpetual easement document form, as may be amended from time to time;
 - B. Review and approval by the Department of the Attorney General; and
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 3. Subject to the Applicant fulfilling all of the Applicant requirements listed above; authorize the issuance of a construction right-of-entry to the Hawaii Electric Light Company, Inc., its consultants, contractors and/or persons acting for or on its behalf, covering the subject area for utility and related purposes under the terms

and conditions cited above, which are by this reference incorporated herein and further subject to the following:

- A. The standard terms and conditions of the most current construction right-of-entry document form, as may be amended from time to time;
- B. This right-of-entry shall be effective upon date of acceptance with the Applicant fulfilling the standard Applicant requirements for Right-of-Entry Permits and shall terminate upon issuance of the grant of easement document;
- C. HELCO, its consultants, contractors and/or persons acting for or on its behalf shall coordinate all new construction, repair and maintenance activities with the County of Hawaii, Department of Parks and Recreation in order to minimize disruption of its services and/or programs at the Hienaloli "Hale Halawai" Civic Center;
- D. HELCO, its consultants, contractors and/or persons acting for or on its behalf shall repair and/or restore all improvements, including landscaping damaged as a result of all new construction, repair and maintenance activities; and
- E. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

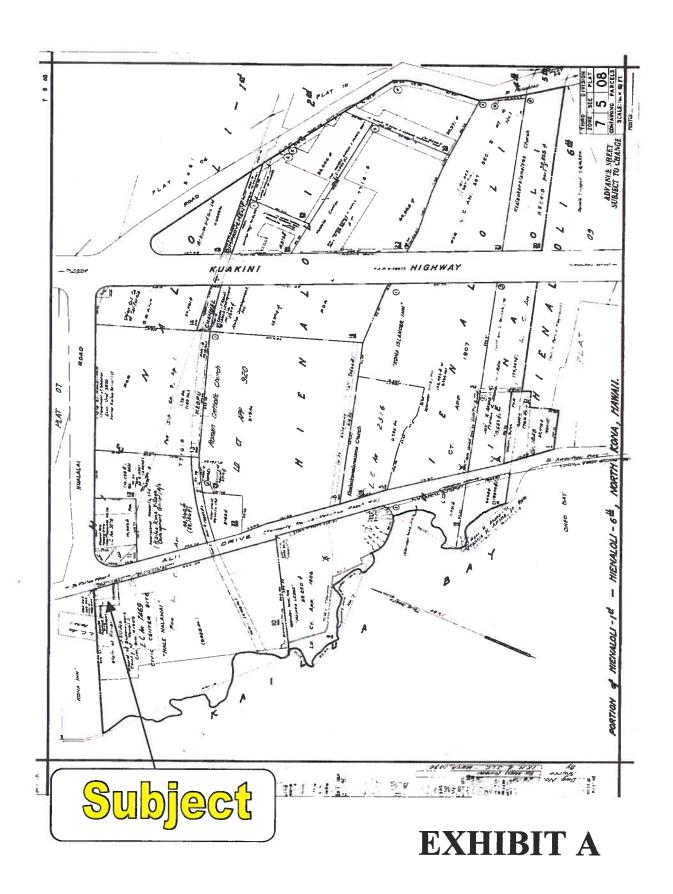
Respectfully Submitted,

Wesley T. Matsunaga

Land Agent

APPROVED FOR SUBMITTAL:

Laura H. Thielen/Chairperson



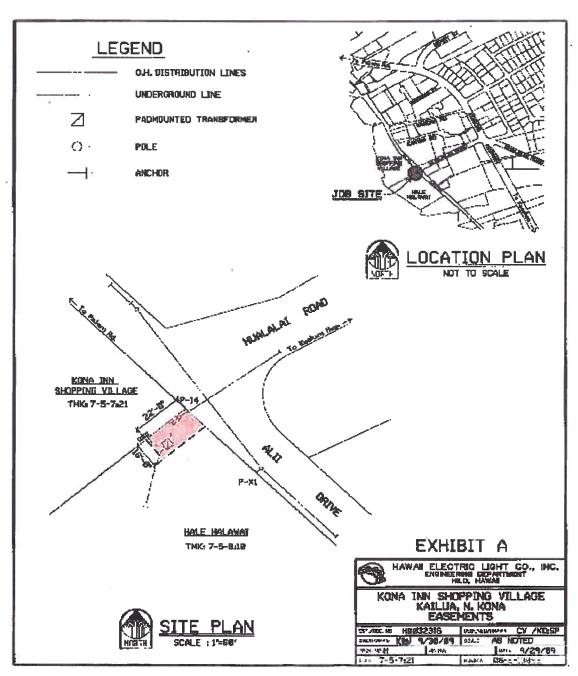


EXHIBIT A

LINDA LINGLE GOVERNOR OF HAWAII





LAURA H. THIELEN
CHARPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

PSF No.: 10HD-011

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment under the authority of Chapter 343, Hawaii Revised Statutes and Chapter 11-200, Hawaii Administrative Rules.

Project Title:

Grant of Perpetual, Non-Exclusive Utility Easement; Issuance of

Construction Right-of-Entry to Hawaii Electric Light Company,

Inc.

Project Number:

PSF No. 10HD-011

Project Location:

Hale Halawai, Hienaloli, North Kona, Hawaii, Tax Map Key: 3rd/

7-5-008: portion of 010

Project Description:

Proposed construction of concrete pad and installation of larger, upgraded pad-mounted electrical transformer on a State parcel encumbered under Governor's Executive Order No. 1949 to the County of Hawaii for its Hienaloli "Hale Halawai" Civic Center. The transformer will service both Hale Halawai and the abutting

Kona Inn Shopping Village.

Consulted Parties:

County of Hawaii, Planning Department, SMA Section

Chapter 343 Trigger:

Use of State lands.

Exemption Class No.:

In accordance with Hawaii Administrative Rules Section 11-200-8, the subject project is considered to be exempt from the preparation

of an environmental assessment pursuant to the following:

Exemption Class No. 6, which states, "Construction or placement of minor structures accessory to existing facilities."

This exemption is appropriate as the proposed transformer is minor structure that will utilize a small area of land. Furthermore, the transformer will only serve the civic center and the shopping center, both of which are existing facilities. As this is a one-time use and not part of a multi-phase project, the proposed use of State lands should not result in any long-term cumulative impact.

Recommendation:

We recommend that the Land Board find that this project is exempt from Chapter 343, HRS, as it will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.

Laura H. Thielen, Chairperson	_
Date	

EXHIBIT B